

Panel 1

PG&E Comments for the

IEPR 2004 Update Workshop on Transmission

*Kevin Dasso
April 5, 2004*

Drivers in Developing a Long-Term Transmission Vision for California

- Clear energy resource planning and policy goals
- Predictable market rules and cost recovery regime
- Regional coordination and planning

2004 and 2005 IEPR

- Continue to push for clarity of future direction
- Describe possible future states and the role of transmission

Panel 2

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Transmission Constraints

Area	Proposed Projects	Consequence of Delay
San Francisco Peninsula Greater San Francisco Bay Area	<ul style="list-style-type: none"> • Jefferson-Martin 230 kV Line • Tesla-Newark 230 kV Line Upgrade • Moss Landing-Metcalf 230 kV Upgrade 	<ul style="list-style-type: none"> • Continued reliance on inefficient, aging fossil-fuel generation • Additional No_x reduction investments on outdated generation
Various Areas	Transmission Transformer Upgrades	Load Shedding under limited circumstances

Renewables

- PG&E has been an active participant in CPUC proceedings on RPS transmission plan development
- PG&E's RPS transmission plan was developed based on CEC 2003 report on renewable development and filed with the CPUC
 - No position on which projects will actually develop
 - “Reconnaissance level” plan
 - Preliminary expansion plan
- The projects described earlier are complimentary, but not sufficient
- Additional investment of between \$150-250 million is required depending on actual development (excluding gen-ties)

Short-Term and Long-Term

- PG&E current plans are “no regrets”
- All of the projects are complimentary to a range of future transmission scenarios
- Additional work in continuing on longer term (10 year) assessments